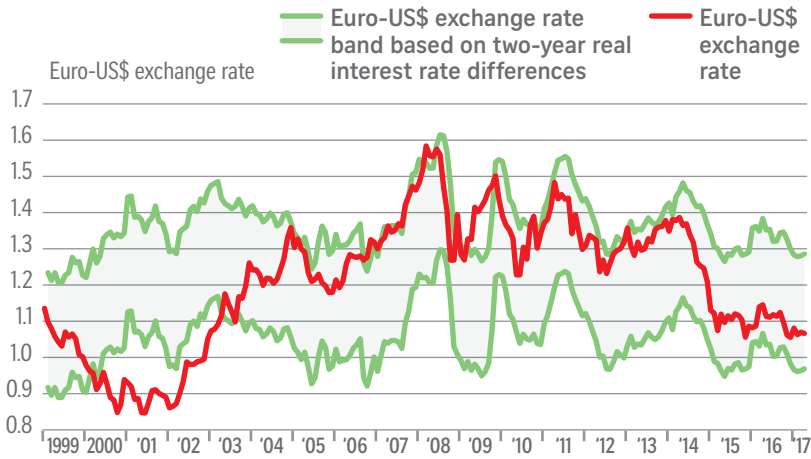


US dollar is greatly overvalued based on purchasing power parity

The euro looks inexpensive against the dollar, based on politics-free fundamentals.



NOTE: The uncertainty band (covering 67% of historical deviations) is based on the relationship between the 2-year real swap rate difference Euro-US\$ and the euro-US\$ exchange rate from 1999 to today.

Source: MACROBOND, UBS WM CIO (as of April 1, 2017)
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